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Donald A. Wilson
President

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December 12, 1996

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Office of the Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

Re: CC Docket No. 96-45

Dear Sir/Madam:

Thank you for allowing the Kansas Hospital Association to comment on CC Docket No. 96-45. While the implications for health care providers are not the main thrust of the 1996 Telecommunications Act, there are several provisions which affect hospitals and other providers in Kansas directly. Our comments are directed only at those sections and provisions.

The KHA convened a small group of experts and interested persons from our hospitals to discuss the questions raised by the FCC. Those persons represented both urban and rural, as well as the very small to the very large institutions. A list of participants is enclosed with this letter for your information. The comments enclosed represent a consensus of this group.

Again, thank you for the opportunity to participate. If we can be of any further assistance, please don't hesitate to call on us.

Sincerely,

Donald A. Wilson
President

Enclosures

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**Kansas Hospital Association
Comment on Universal Service Recommended Decision
FCC Docket 96-45**

Topic No. 4: Health Care

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There were several questions specified in the Public Notice distributed by the FCC related to health care. Those questions are enumerated below and followed by our comments. In addition, we have also submitted comments on the definition of eligible health care provider.

1. What is the exact scope of services that should be included in the list of additional services "necessary for the provision of health care" in a state?

The Kansas Hospital Association supports the defined scope of services identified by the Advisory Committee on Telecommunications and Health Care established by the FCC in the summer of 1996. These services, we believe, are necessary for the provision of health care in Kansas and include: provider to provider consultation, provider to patient consultation, continuing medical education for physicians and other providers, internet access to medical information, 24-hr. support from urban centers, specialty services (radiology, dermatology, cardiology, pathology, obstetrics, pediatrics, psychology), along with high-speed data and high-quality image transmission.

We would, however, urge the FCC to add home care to this list. This is a service which is critical in rural areas and must, in order to be efficiently provided, take advantage of telecommunications technology. Rural areas in particular have difficulty delivering critical home care services where the distance to each client has a direct impact on the number of clients that can be served and the cost of each visit. In Kansas, we are experimenting with provider to patient consultation in the home in an effort to provide services where they were previously unavailable or too costly for the patient to access. The "recommended decision" did not accept this suggestion. We believe strongly that home care should be reconsidered as a "necessary service" and therefore eligible for universal service support.

Another point we would like to make relates to the concept of 24-hour or round-the-clock support from an urban center. In Kansas, as in many other states, this type of support is provided by a rural referral center or another neighboring rural hospital. Urban centers are often too far away to provide the basic kind of support needed by our smaller rural hospitals. In these instances, the rural referral center or neighboring facility is providing physician support to a mid-level practitioner or is actually "sharing" physician coverage. In many situations, this communication is in preparation for a patient that requires transfer to the supporting facility. We would ask that rural to rural support be recognized in the

concept of a necessary service. Also, just as a point of clarification, "support" is clinical support as well as pure technical support for the trouble shooting necessary to keep the service provided by the technology available.

2. **What would be the relative costs and benefits of supporting technologies and services that require a bandwidth higher than 1.544 Mbps?**

On this point, Kansas agrees completely with the recommendation of the Advisory Committee. The relative costs, we believe, would be higher than the benefits of supporting bandwidths higher than 1.544 Mbps through universal service provisions. Kansas, as in many other states, has a long way to go to make even partial T-1 available to all the providers covered under the definition. We would encourage the FCC to focus on bringing the areas with minimal or no service up to the level where the technology can be implemented. Our experts agree that 384 kbps is minimal for use of interactive video technology, and many of our hospitals do not have this level of access. If a higher bandwidth is supported, our concern is that the opportunity cost will be that areas needing low end access will suffer at the expense of the high-end users.

3. **How rapidly is local access to Internet Service Providers expanding in rural areas of the country, and what are the costs likely to be incurred in providing toll-free access for health care providers?**

Access to the Internet by health care providers in rural Kansas is highly varied. Large band-width access (T) or fractions thereof is confined primarily to the larger communities, often those with a community college or other state or private educational institutions. This encompasses approximately one-third of the communities with hospitals. Digital telephone service companies serving significant portions of rural Kansas have little economic incentive to upgrade their equipment to provide ISDN-level service. Local telephone number Internet access with no distance charges at 14.4 or 28.8 bps is widely available to both individuals and public and private organizations.

4. **What are the probable costs that would be incurred in eliminating distance-based charges and/or charges on traffic between LATAs (interLATA) where such charges are in excess of those paid by customers in the nearest urban areas of the state?**

Distance-based charges are a critical issue in Kansas. For example, in Hays, Kansas access to an ISDN line in Topeka, 200 miles east and the nearest POP available, adds 40% to the basic bill for distance-based charges. As you can see,

most community hospitals in rural Kansas must pay extreme charges to access these technologies at such great distances. Neglecting this area in the concept of universal service will minimize the positive effects of supporting rural health care providers. We recommend that the FCC include reducing and ultimately eliminating distance-base charges as a priority in the universal service provisions.

5. What costs (advantages and disadvantages) would be incurred in supporting upgrades to the public-switched network necessary to provide services to rural health care providers? (Are current upgrades going to make universal service support of these efforts unnecessary?)

In the 1996 legislative session, the Kansas Legislature passed a bill defining enhanced universal service which included many provisions to require the deployment of technologies we hope will result in the necessary upgrades to the public-switched network. This is, however, a huge undertaking which will require a tremendous investment of time and resources. We would encourage the FCC to assist states who have taken the initiative to coordinate and support this effort.

6. Eligible health care providers covered by universal service through the 1996 Telecommunications Act.

While this is not a question posed in the Public Notice, the definition of eligible provider is one that the Kansas Hospital Association feels needs to be reconsidered. We suggest that two areas be expanded.

First, as discussed above in question 1, we believe strongly that excluding home care providers is a serious problem. In many areas, rather than duplicating services, multi-county home care providers have been established. These free-standing agencies provide the efficiencies necessary to deliver services in the sparsely populated portions of our state. To exclude them from the critical access to telecommunications, we believe, is a tremendous oversight. The Kansas Hospital Association again encourages the FCC to include rural home care providers as eligible providers for universal service support of the technology to allow cost effective provision of service to isolated populations.

Second, Urban Centers, especially the medical schools and hospital medical centers, should be included in the universal service provision for two primary reasons. First, they are the underlying source of the educational network for physicians and certainly provide the access to specialty consultation that is not available to rural areas through any other means. Second, the urban hospitals have assumed a disproportionate share of the cost of providing technology-based services to rural hospitals and providers. They have done this in an effort to make the services affordable to rural Kansans. Much of the infrastructure investment, as well as the premise equipment, has been financially and technically supported by

these urban facilities. Without their continued support, much of the effort to improve access will be for naught. We urge the FCC to include urban medical schools and medical centers as eligible providers.